

April 12, 2001

TO THE MISSISSIPPI HOUSE OF REPRESENTATIVES:

I am directed by the Governor to advise you that he has approved the following House Bills:

**H.B. NO. 371:** AN ACT TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE STATE OF MISSISSIPPI FOR THE PURPOSE OF PROVIDING FUNDS FOR THE MISSISSIPPI LAND, WATER AND TIMBER RESOURCES FUND; TO AMEND SECTION 69-46-5, MISSISSIPPI CODE OF 1972, TO DELETE THE REQUIREMENT THAT MONIES IN THE MISSISSIPPI LAND, WATER AND TIMBER RESOURCES FUND BE APPROPRIATED IN ORDER TO BE EXPENDED; AND FOR RELATED PURPOSES. (April 7, 2001; 6:40 AM)

**H.B. NO. 848:** AN ACT TO PROVIDE FOR THE LICENSURE AND REGULATION OF HOME INSPECTORS; TO DEFINE CERTAIN TERMS; TO PROVIDE FOR THE ADMINISTRATION OF THE ACT BY THE MISSISSIPPI REAL ESTATE COMMISSION; TO CREATE A HOME INSPECTOR REGULATORY BOARD; TO PRESCRIBE THE QUALIFICATIONS FOR A LICENSE; TO REQUIRE ALL HOME INSPECTORS TO CARRY GENERAL LIABILITY INSURANCE AND ERRORS AND OMISSIONS INSURANCE; TO PROVIDE CERTAIN LIABILITY PROTECTIONS; TO PROVIDE STANDARDS OF PRACTICE AND CODE OF ETHICS; TO PROVIDE EXEMPTIONS FROM THE ACT; TO PROVIDE CONTINUING EDUCATION REQUIREMENTS BEFORE RENEWAL OF A LICENSE; TO PROVIDE RECIPROCITY FOR NONRESIDENT HOME INSPECTORS; TO PROHIBIT THE UNLICENSED PRACTICE OF HOME INSPECTION AND PROVIDE CIVIL PENALTIES THEREFOR; TO PROVIDE FEE REQUIREMENTS FOR HOME INSPECTORS LICENSE AND CREATE THE HOME INSPECTORS LICENSE FUND; TO PROVIDE FOR DISCIPLINARY PROCEEDINGS; TO REQUIRE THE MISSISSIPPI REAL ESTATE COMMISSION TO MAINTAIN A ROSTER OF LICENSEES; TO ALLOW CERTAIN PERSONS ALREADY ENGAGED IN THE BUSINESS OF HOME INSPECTIONS TO QUALIFY FOR A LICENSE WITHOUT EXAMINATION; TO AUTHORIZE THE BOARD TO EMPLOY LEGAL COUNSEL WHEN NECESSARY; AND FOR RELATED PURPOSES. (April 7, 2001; 6:40 AM)

**H.B. NO. 1352:** AN ACT TO AMEND SECTION 69-2-13, MISSISSIPPI CODE OF 1972, TO PLACE THE ADMINISTRATION OF ALL PROGRAMS IN THE EMERGING CROPS FUND UNDER THE

MISSISSIPPI DEVELOPMENT AUTHORITY; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO DRAW AN ADDITIONAL \$5,000,000.00 FROM THE EMERGING CROPS FUND FOR THE MINORITY ECONOMIC DEVELOPMENT LOAN PROGRAM ESTABLISHED IN THE EMERGING CROPS FUND; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO DECLARE PLANNING AND DEVELOPMENT DISTRICTS AND QUALIFIED ENTITIES ADMINISTERING SUCH LOAN PROGRAMS IN DEFAULT UNDER CERTAIN CIRCUMSTANCES AND TO TAKE CERTAIN ACTIONS IN THE EVENT OF A DEFAULT; TO AUTHORIZE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO USE AN ADDITIONAL \$1,000,000.00 FROM THE MINORITY ECONOMIC DEVELOPMENT LOAN PROGRAM FOR ITS MINORITY BUSINESS ENTERPRISE SURETY BOND GUARANTEE PROGRAM; TO PROVIDE THAT IF FEDERAL FUNDS ARE NOT AVAILABLE FOR COMMITMENTS MADE BY A PLANNING AND DEVELOPMENT DISTRICT TO PROVIDE ASSISTANCE UNDER ANY FEDERAL LOAN PROGRAM ADMINISTERED BY THE PLANNING AND DEVELOPMENT DISTRICT IN COORDINATION WITH THE APPALACHIAN REGIONAL COMMISSION OR ECONOMIC DEVELOPMENT ADMINISTRATION, OR BOTH, A PLANNING AND DEVELOPMENT DISTRICT MAY USE UNCOMMITTED FUNDS IN ITS MINORITY ECONOMIC DEVELOPMENT LOAN REVOLVING FUND FOR THE PURPOSE OF PROVIDING TEMPORARY FUNDING FOR SUCH COMMITMENTS; TO PROVIDE THAT IF A PLANNING AND DEVELOPMENT DISTRICT USES SUCH UNCOMMITTED FUNDS TO PROVIDE SUCH TEMPORARY FUNDING, THE DISTRICT SHALL USE FUNDS REPAID TO THE DISTRICT UNDER THE TEMPORARILY FUNDED FEDERAL LOAN PROGRAM TO REPLENISH THE FUNDS USED TO PROVIDE THE TEMPORARY FUNDING; TO LIMIT THE NUMBER OF TIMES A PLANNING AND DEVELOPMENT DISTRICT MAY USE UNCOMMITTED FUNDS IN ITS LOAN REVOLVING FUND TO PROVIDE SUCH TEMPORARY FUNDING AND THE AMOUNT OF SUCH FUNDS THAT MAY BE USED FOR SUCH PURPOSES DURING A CALENDAR YEAR; TO AMEND SECTION 69-2-19, MISSISSIPPI CODE OF 1972, TO INCREASE FROM \$97,000,000.00 TO \$102,000,000.00, THE AGGREGATE AMOUNT OF BONDS THAT MAY BE ISSUED FOR THE EMERGING CROPS FUND; AND FOR RELATED PURPOSES. (April 7, 2001; 6:41 AM)

**H.B. NO. 1630:** AN ACT TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS NECESSARY FOR THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO ACQUIRE THE RAIL LINE EXTENDING FROM THE STATE PORT AT GULFPORT, MISSISSIPPI, TO THE CITY OF HATTIESBURG, MISSISSIPPI; TO PROVIDE THAT ACTIONS TAKEN BY THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT UNDER THIS ACT SHALL BE SUBJECT TO APPROVAL BY THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO PROVIDE THAT IF THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT ACQUIRES THE RAIL LINE, IT MAY ENTER INTO ANY AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING THAT THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL

LINE FROM THE STATE FOR COMMERCIAL PURPOSES; TO AUTHORIZE THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO ENTER INTO CONTRACTS OR OTHER AGREEMENTS WITH ANY PERSON, CORPORATION, ASSOCIATION, PARTNERSHIP, GOVERNMENTAL UNIT OR OTHER ENTITY NECESSARY TO PERFORM REPAIRS AND UPGRADES TO THE RAIL LINE; TO AUTHORIZE THE ISSUANCE OF \$20,000,000.00 IN STATE REVENUE BONDS TO PROVIDE FUNDS FOR REPAIRS AND UPGRADES TO SUCH RAIL LINE NECESSARY TO PROVIDE INTERMODAL ACCESS TO AND FROM THE STATE PORT AT GULFPORT, MISSISSIPPI; TO PROVIDE THAT THE REVENUE BONDS MAY NOT BE ISSUED UNLESS THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT HAS ENTERED INTO AN AGREEMENT WITH A RAILROAD OR OTHER ENTITY PROVIDING THAT THE RAILROAD OR OTHER ENTITY WILL LEASE THE RAIL LINE FROM THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT FOR COMMERCIAL PURPOSES; TO PROVIDE THAT THE PAYMENTS RECEIVED FROM ANY SUCH LEASE SHALL BE DEPOSITED INTO A SPECIAL BOND SINKING FUND CREATED FOR THE PURPOSE OF RETIRING BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH; TO PROVIDE THAT MONIES IN SUCH SINKING FUND SHALL BE USED FIRST TO RETIRE REVENUE BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH; TO PROVIDE THAT WHEN THE BALANCE IN THE SPECIAL BOND SINKING FUND IS EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE REVENUE BONDS ISSUED UNDER THIS ACT OR OTHER INDEBTEDNESS INCURRED UNDER THIS ACT, OR BOTH, THE EXCESS MONIES IN THE FUND SHALL BE USED TO PAY THE DEBT SERVICE REQUIREMENTS OF GENERAL OBLIGATION BONDS ISSUED UNDER THIS ACT PROVIDED THAT THE BALANCE IN THE SPECIAL BOND SINKING FUND SHALL NOT FALL BELOW THE AMOUNT EQUAL TO THE NEXT TWO DEBT SERVICE REQUIREMENTS OF THE REVENUE BONDS OR OTHER INDEBTEDNESS; TO AUTHORIZE THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT TO BORROW FUNDS FROM THE MISSISSIPPI DEVELOPMENT BANK FOR THE PURPOSE OF ACQUIRING, REPAIRING AND UPGRADING THE RAIL LINE; TO PROVIDE THAT THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT MUST SATISFY CERTAIN CONDITIONS BEFORE TAKING ANY ACTIONS TO ACQUIRE, REPAIR OR UPGRADE THE RAIL LINE AND BEFORE ANY BONDS MAY BE ISSUED OR OTHER DEBT MAY BE INCURRED UNDER THIS ACT; AND FOR RELATED PURPOSES. (April 9, 2001; 10:12 AM)

**H.B. NO. 1637:** AN ACT TO CREATE THE MISSISSIPPI CULTURAL DEVELOPMENT ACT; TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE DESIGNATED AS THE "BUILDING FUND FOR THE ARTS"; TO AUTHORIZE MONEY FROM ANY SOURCE TO BE DEPOSITED INTO THE FUND; TO PROVIDE THAT MONEY DEPOSITED INTO THE FUND SHALL BE DISBURSED, IN THE DISCRETION OF THE MISSISSIPPI ARTS COMMISSION, TO PROVIDE GRANTS TO NONPROFIT ORGANIZATIONS OR UNITS OF

LOCAL GOVERNMENT, TO PAY THE COSTS OF REPAIR, UPGRADING, EXPANSION, RENOVATION OR ENHANCEMENT OF EXISTING BUILDINGS OR FACILITIES FOR THE PRESENTATION, TEACHING OR EXHIBITION OF THE ARTS AND FURNITURE, EQUIPMENT AND/OR TECHNOLOGY FOR SUCH BUILDINGS OR FACILITIES, OR THE COSTS OF THE DEVELOPMENT, CONSTRUCTION, EQUIPPING AND FURNISHING OF AN ENTERTAINMENT AND FILM CENTER AND MUSEUM AND COMPLETION OF A SOUND STAGE PROJECT; TO PROVIDE THAT THE ENTITY TO WHICH SUCH GRANTS ARE MADE SHALL PROVIDE MATCHING FUNDS EQUAL TO 40% OF THE PROPOSED PROJECT COST IN ORDER TO BE ELIGIBLE FOR A GRANT UNDER THIS ACT; TO PROVIDE FOR THE ISSUANCE OF \$7,000,000.00 IN STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE BUILDING FUND FOR THE ARTS; TO AUTHORIZE THE ISSUANCE OF STATE GENERAL OBLIGATION BONDS FOR THE PURPOSE OF PROVIDING FUNDS FOR GRANT ASSISTANCE FOR THE PRESERVATION AND RESTORATION OF HISTORIC COUNTY COURTHOUSES IN MISSISSIPPI, FOR GRANT ASSISTANCE FOR THE PRESERVATION AND RESTORATION OF HISTORIC SCHOOL BUILDINGS IN MISSISSIPPI, FOR GRANT ASSISTANCE TO MISSISSIPPI CERTIFIED LOCAL GOVERNMENTS FOR THE PRESERVATION, RESTORATION, DEVELOPMENT AND INTERPRETATION OF HISTORIC PROPERTIES IDENTIFIED BY THOSE GOVERNMENTS; AND TO PROVIDE GRANT FUNDS, CONTINGENT UPON RECEIPT OF MATCHING FUNDS, TO THE AMORY REGIONAL MUSEUM IN AMORY, MISSISSIPPI, TO PAY THE COSTS OF CAPITAL IMPROVEMENTS, REPAIR, RENOVATION, FURNISHING AND/OR EQUIPPING OF THE MUSEUM; AND FOR RELATED PURPOSES. (April 7, 2001; 6:42 AM)

**H.B. NO. 1695:** AN ACT TO AMEND SECTION 27-7-9, MISSISSIPPI CODE OF 1972, TO DELETE THE PROVISION PROVIDING THAT COMPLIANCE WITH FEDERAL REGULATIONS PROMULGATED UNDER SECTION 482 OF THE UNITED STATES INTERNAL REVENUE CODE SHALL CONSTITUTE "ARMS-LENGTH" FOR THE PURPOSE OF DETERMINING WHETHER A TRANSACTION BY A CORPORATION OR OTHER LEGAL ENTITY IS AT "ARMS-LENGTH" FOR STATE INCOME TAX PURPOSES AND TO PROVIDE THAT THE COMMISSIONER SHALL CONSIDER CERTAIN CRITERIA WHEN DETERMINING WHETHER A TRANSACTION IS ARMS-LENGTH; TO AMEND SECTION 27-7-15, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE RECOGNITION OF GAIN OR PROFIT FROM THE CASUAL SALE OF PROPERTY BY INSTALLMENT SALE IN THE YEAR OF THE SALE; TO ALLOW DEFERRAL OF THE TAX RESULTING FROM THE GAIN IF THE GAIN IS DEFERRED FOR FEDERAL INCOME TAX PURPOSES TO THE EXTENT PROVIDED UNDER REGULATIONS PRESCRIBED BY THE CHAIRMAN OF THE STATE TAX COMMISSION; TO EXCLUDE FROM THE DEFINITION OF THE TERM "GROSS INCOME" CERTAIN INCOME RESULTING FROM TRANSACTIONS WITH A RELATED MEMBER; TO AMEND SECTION 27-7-17, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT, IN COMPUTING NET INCOME, A TAXPAYER MUST ADD BACK

CERTAIN OTHERWISE DEDUCTIBLE EXPENSES AND COSTS PAID TO RELATED MEMBERS; TO AMEND SECTION 27-7-23, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "BUSINESS INCOME"; TO REVISE THE MANNER IN WHICH THE INCOME OF MULTISTATE ENTITIES IS ALLOCATED AND APPORTIONED; TO PROVIDE FOR THE ALLOCATION OF CERTAIN NONBUSINESS INCOME; TO AMEND SECTIONS 27-7-24.3 AND 27-8-3, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO AMEND SECTION 27-13-13, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE MANNER IN WHICH THE ASSETS OF CERTAIN FLOW-THROUGH ENTITIES SHALL BE INCLUDED IN THE RATIO USED TO DETERMINE THE VALUE OF THE CAPITAL EMPLOYED IN THIS STATE FOR FRANCHISE TAX PURPOSES; AND FOR RELATED PURPOSES. (April 11, 2001; 5:49 AM)

Respectfully submitted,

Erich Howard  
Legislative Aide